

Investment and Pensions Oversight Committee

Comments and Information from D.L. Heshley

October 2, 2012

As a representative of the Public Safety Community, I would like to say that we are in agreement that something needs to occur with the New Mexico Public Employee Retirement program, in the form of change, but feel that some of the changes proposed by PERA are far reaching. When dealing with Public Safety and the public safety plans, the inclusion of everyone from June 30, 2010 and the rule of 75, and other minor changes create major issues. With Pera's changes of Sept. 27, 2012 our membership are reviewing them now.

Twenty year retirement for public safety has been in place for public safety for many years and contrary to what most think these employees/employers have paid much more than the typical employee/employer, and is greatly used for the recruit purpose. In most cases employees have given up pay raises over the years to move up in plans within public safety.

Public Safety Plans

Plan 1	25 Year	2% Pension Factor	<u>17% Total Contribution Rate</u>
	25yr @ 50%	30yr @ 60%	138 employees
Plan 2	25 Year	2.5 Pension Factor	<u>22% Total Contribution Rate</u>
	25yr @ 62.5%	40yr @ 100%	32 employees
Plan 3	20 Year	2.5 Pension Factor	<u>25.5 Total Contribution Rate</u>
	20yr @ 50%	40yr @ 100%	60 employees
Plan 4	20 Year	3.0 Pension Factor	<u>30.85 Total Contribution Rate</u>
	20yr @ 60%	26yr 8mo @ 80%	149 employees
Plan 5	20 Year	3.5 Pension Factor	<u>34.8 Total Contribution Rate</u>
	20yr @ 70%	22yr 11mo @ 80%	3542 employees

THERE ARE A TOTAL OF 3921 EMPLOYEES IN THESE PLANS AND 2931 DO NOT PAY INTO SOCIAL SECURITY. THIS IS APPROX. 75% AND ARE EFFECTED BY FEDERAL LAW.

Most of the State and Municipal Plans are 25 year plans that have a contribution rate of 14% to 27.3%.

The exception to this is the **State Hazardous Duty Plans 25.5% to 30.5%, State Police/Adult Correction 32.7% and Municipal Detention Officer at 33.3%. State Police and Corrections do not pay into social security.**

As you can see public safety has been paying much higher contribution rate for many years to be able to retire at an earlier age and with less time on the job because of the stresses and health issues that come along with being a public safety officer. I am attaching the latest issue paper concerning Officer Safety and Wellness from January of 2012 that was compiled by the Dept. Of Justice Community Oriented Policing Services. Of note on page 1 you will find huge numbers of officers assaulted and injured in 2009 the latest reported. Throughout the report you will find information on poor health, stress, poor nutrition, post-traumatic stress and depression, in law enforcement officers. PTSD and depression as enhanced in law enforcement cause the stresses, fatigue, alcoholism, drug abuse and domestic violence in law enforcement. Most departments now have a psychological help available on a twenty four basis because of these issues.